Department of State

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TELEGRAM

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EXCISE

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ACTION E-15

INFO OCT-01 AF-12 EUR-20 SS-20 NSC-10 L-04 H-02 AID-28
CIAE-00 COM-08 FRB-02 INR-08 NSAE-00 RSC-01 TRSE-00
XMB-06 OPIC-12 TRSY-11 CIEP-01 LAB-06 SIL-01 SAL-02
INT-06 GSA-01 OEP-01 FTC-01 STR-08 PRS-01 RSR-01 /189 W
022332

R 170750Z MAY 71
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 7713
INFO AMEMBASSY BENGHAZI
AMEMBASSY LONDON
AMEMBASSY ROME
AMEMBASSY THE HAGUE

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ DATE 6/22/81
PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L TRIPOLI 945

SUBJ: COMPENSATION FOR NATIONALIZED PETROLEUM MARKETING

1. EMBASSY RECENTLY HAS TAKEN INITIATIVE IN DETERMINING WHAT CONTACTS COMPANIES HAVE HAD WITH COMPENSATION COMMISSIONS ESTABLISHED FOR NATIONALIZED ESSO, SHELL AND AGIP LOCALI MARKETING AFFILIATES. INITIATIVE TAKEN IN LIGHT OF MUFA REPLY TO OUR DEMARCHE AFFIRMING COMPANIES' VIEWS WOULD BE TAKEN INTO CONSIDERATION BY COMMISSIONS IN DETERMINING COMPENSATION DUE (TRIPOLI 2190). ESSO REPORTS ITS ONLY CONTACT WITH COMMISSION IN CHARGE OF ITS CASE HAS BEEN IN CONNECTION PERFUNCTORY REQUESTS FOR FINANCIAL DATA. COMPANY, HOWEVER, VOLUNTARILY SUBMITTED A BRIEF OUTLINING A METHOD IT CONSIDERS APPROPRIATE FOR DETERMINING COMPENSATION AND PRESENTING ITS ASSESSMENT OF VALUE OF NATIONALIZED ASSETS. ESSO DOUBTS THIS HAS HAD MUCH EFFECT [redacted] B4 B1

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[redacted]

2. UNDER TERMSOF JULY 4, 1970 NATIONALIZATION DECREE, COMMISSIONS ARE TO REACH DECISION ON VALUE OF COMPENSATION BY MAY 25 AND COMPANIES ARE TO BE NOTIFIED WITHIN THIRTY DAYS. SINCE DECREE PROVIDES THAT THERE WILL BE NO APPEAL FROM THIS DECISION, EMBASSY ALSO SOUGHT ESSO'S VIEWS ON DESIRABILITY OF SECOND DEMARCHE WHICH MIGHT: A) RECALL TO MUFA ITS ASSURANCE THAT COMPANIES VIEWS WOULD BE RECEIVED AND TAKEN INTO CONSIDERATION; B) STATE THAT EMBASSY IS INFORMED THAT ESSO'S VIEWS HAVE NOT BEEN SOUGHT OR DISCUSSED WITH COMPANY; C) ASK FOR CLARIFICATION OF LARG'S INTENTIONS.

3. [redacted]

4. EMBASSY REQUESTS DEPARTMENT'S VIEWS ON DESIRABILITY OF MAKING DEMARCHE, ALONG LINES PARA 2, IN ADVANCE OF MAY 25.

5. FYI. [redacted] B1 B5

GP-3.
JOSIF

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